

**MINUTES OF THE JOINT EXECUTIVE APPROPRIATIONS
COMMITTEE MEETING
March 9, 2011 at 4:10 P. M.
Room 445, State Capitol Complex**

Members Present:

Sen. Lyle W. Hillyard, Co-Chair
Rep. Melvin R. Brown, Co-Chair
Sen. Dennis E. Stowell, Vice Chair
Rep. John Dougall, Vice Chair
Rep. Brad L. Dee
Rep. Gregory H. Hughes
Sen. Scott K. Jenkins
Sen. Patricia W. Jones
Rep. Brian S. King
Sen. Peter C. Knudson
Rep. David Litvack
Rep. Rebecca D. Lockhart, Speaker
Sen. Benjamin M. McAdams
Rep. Ronda Rudd Menlove
Sen. Karen W. Morgan
Sen. Wayne L. Niederhauser
Sen. Ross I. Romero
Rep. Jennifer M. Seelig
Sen. Michael G. Waddoups, President
Rep. Christine F. Watkins

Staff Present:

Jonathan Ball, Legislative Fiscal Analyst
Steven Allred, Deputy Director
Greta Rodebush, Legislative Secretary
Linda Black, Committee Secretary

Note: A copy of related materials and an audio recording of the meeting can be found at www.le.utah.gov.

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Approval of Minutes

Vice Chair Dougall called the meeting to order at 4:15 p.m. and stated that the committee would be approving some final changes to the budget. He called attention to the blue, green, and orange handouts, which were available in hard copy and posted on line. He explained that the orange packet is a consolidated set of motions for Senate Bill 3 that includes transfers, intent language, and non- General and Education Fund appropriations. He stated that the entire packet would be treated as a single motion unless members of the committee wanted to divide it.

Vice Chair Dougall recognized Co-Chair Hillyard for a motion on the minutes.

MOTION: Co-Chair Hillyard moved to approve the minutes of the Joint Executive Appropriations Committee meeting of March 7, 2011. The motion passed unanimously with Rep. Brown, Rep. Dee, and Rep. Menlove absent for the vote.

2. Budget Actions

Vice Chair Dougall recognized Co-Chair Hillyard.

MOTION: Co-Chair Hillyard moved to adopt the additional one-time and ongoing revenue sources as shown on the blue sheet entitled, "Additional Revenue Sources, Executive Appropriations Committee" and dated today, March 9, 2011. The motion passed unanimously with Rep. Menlove absent for the vote.

MOTION: Co-Chair Hillyard moved to adopt the ongoing and one-time changes shown on the green sheet entitled, "Additional Funding Items, Executive Appropriations Committee" and dated today, March 9, 2011. The motion passed unanimously with Rep. Menlove absent for the vote.

MOTION: Co-Chair Hillyard moved to approve the additional motions in the orange packet entitled, "Consolidated Motions for Senate Bill 3" and dated today, March 9, 2011. The motion passed unanimously with Rep. Menlove absent for the vote.

Vice Chair Dougall recognized Speaker Lockhart for a motion on intent language. Staff distributed a copy of the intent language to the committee.

MOTION: Speaker Lockhart moved to adopt the following intent language:

The Legislature further intends that the balance of the savings realized from substantial completion of the I-15 CORE Project, and after funding the I-15 south of Spanish Fork Main Street to Payson project, be used to design, construct, or reconstruct projects in Utah County. Priority should be given to projects prioritized by the Transportation Commission pursuant to section 72-2-125 of the Utah Code, Critical Highway Needs Fund, that were cut or delayed due to budgetary constraints subsequent to the Transportation Commission's prioritization.

Speaker Lockhart explained that the I-15 CORE Project in Utah County was bid using a fixed amount of money rather than as a fixed project. The intent language clarifies that if there are any savings from the I-15 CORE Project in Utah County, the savings should be used for projects in Utah County that were either cancelled or delayed over the last few years due to budget cuts. The savings could also be used for I-15 mitigation projects.

Sen. Jones asked for the rationale behind funding projects in Utah County rather than in other areas in the state.

Speaker Lockhart reiterated that the I-15 CORE Project in Utah County was bid as an amount of money and not as a scope. She pointed out that Utah County had committed money to the project as well, and

that if there were any savings, it would be appropriate to fund projects that have been canceled, delayed, or changed in Utah County due to budget cuts.

President Waddoups stated that he had been told that savings are likely. He asked what the cost would be to fund an extra lane from Spanish Fork Main Street to Payson. Speaker Lockhart stated that the cost would be between \$27 million and \$30 million.

President Waddoups asked if the Utah Department of Transportation (UDOT) had made any projections on what the I-15 CORE Project savings might be. Speaker Lockhart noted that according to staff, Utah County committed \$65 million to the I-15 CORE Project.

Mark Bleazard, LFA, indicated that currently there is a contingency amount in the I-15 CORE Project of approximately \$100 million. At the completion of the Project, UDOT anticipates a savings between \$27 million and \$35 million. At this point in time, Mr. Bleazard stated that no one knows exactly what those savings will be. The project is nearly half completed.

Sen. Jenkins inquired about last year's legislative action that took approximately \$100 million out of transportation projects to fund buildings. Mr. Bleazard confirmed that the Legislature took \$113 million out of the Critical Highway Needs Program and the Transportation Investment Fund (TIF) Program for buildings. Speaker Lockhart indicated that the canceled or delayed projects she had referenced earlier were the ones impacted by the transportation budget cut.

Sen. Morgan asked if the Transportation Commission would give priority to projects in Utah County. Speaker Lockhart confirmed that the intent language specifies projects in Utah County. She stated that we need to trust the Commission in these matters.

Rep. Dee stated that he had been a part of last year's negotiations for the I-15 CORE Project in Utah County. He spoke in favor of the intent language because it reflects exactly what the Legislature had agreed to do in those negotiations.

Sen. McAdams asked what projects would be skipped over by this motion. Speaker Lockhart explained that the Transportation Commission has multiple priority lists. This motion specifically addresses projects within the Critical Highway Needs Fund. Sen. McAdams pointed out other projects outside of Utah County have received significant local contributions as well.

Sen. Romero spoke against the intent language. He did not know what those projects were and he did not want to tie up the savings. Sen. Romero indicated that the state had invested a significant amount of money in the I-15 CORE Project, and while the Project is an important one, he thought the state should look at other relevant needs and appropriate at that time.

President Waddoups complimented UDOT for the good job they had done in bidding the project and getting to a point where there could be savings. He stated that there is a lot of support in funding the extra lane from Spanish Fork Main Street to Payson. He also mentioned the north end of I-15 in Utah County.

He understood that the intent language would allow savings to be used on the north end of I-15 if the Transportation Commission deemed the project worthwhile. He expressed his support for the motion.

Sen. Hillyard recalled a particular road project in Logan and road projects in Davis County that were bumped off the list or cut back because of the economy. He pointed out that the Transportation Commission could deem some of these projects to be more important than a project in Utah County.

Speaker Lockhart believed that most of the projects that were cut or delayed have been addressed. The intent language references projects that have not been addressed. She made it clear that no one knows for sure if there is going to be any savings. If there are savings, the intent is that the savings be used in the designated manner.

Vice Chair Dougall called for a vote on the motion. The motion passed with Sen. Hillyard, Sen. McAdams, and Sen. Romero voting in opposition.

Vice Chair Dougall recognized Rep. Litvack for a motion on intent language. Staff distributed a copy of the intent language to the committee.

MOTION: Rep. Litvack moved to authorize the use of \$118,800 from the Victims of Domestic Violence Services Account in FY 2012 to backfill the \$118,800 General Fund reduction taken in the Domestic Violence program in the Division of Child and Family Services.

Rep. Litvack explained that the Social Services Appropriations Subcommittee reduced the funding to Domestic Violence Shelters by 10 percent or \$118,800. The intent language authorizes the use of \$118,800 from the Victims of Domestic Violence Services Account in FY 2012 to backfill the reduction.

President Waddoups wanted to know more about the Victims of Domestic Violence Services Account. Rep. Litvack stated that this account receives a surcharge from fines on criminal justice cases and that there is currently \$900,000 in the account. President Waddoups asked if there was a planned use for this money. Rep. Litvack said that there was no planned use for this money right now.

Vice Chair Dougall called for a vote on the motion. The motion passed unanimously.

MOTION: Co-Chair Hillyard moved to authorize legislative staff to prepare and number Senate Bill 3, Appropriations Adjustments, as an Executive Appropriations Committee bill. Staff shall include in this bill the actions of the Executive Appropriations Committee today, as well as other actions approved by the Legislature. In consultation with the co-chairs of the Executive Appropriations Committee, the Legislative Fiscal Analyst may make any technical changes necessary, including changes between funding sources and fiscal years in order to balance the overall budget. The motion passed unanimously.

3. Other Business

Co-Chair Hillyard recognized the Office of the Legislative Fiscal Analyst for their work during the Session. Vice Chair Dougall also recognized staff attorney, Eric Weeks, Legislative Research and General Counsel (LRGC).

Vice Chair Dougall recognized Co-Chair Hillyard for a motion.

MOTION: Co-Chair Hillyard moved to adjourn. The motion passed unanimously.

Vice Chair Dougall adjourned the meeting at 4:34 p.m.

Sen. Lyle W. Hillyard, Co-Chair

Rep. Melvin R. Brown, Co-Chair